

31A-17-408 Title insurance reserves.

- (1) In addition to an adequate reserve for outstanding losses, a title insurance company shall either:
 - (a) maintain and segregate an unearned premium reserve fund of not less than 10 cents for each \$1,000 face amount of retained liability under each title insurance contract or policy on a single insurance risk issued; or
 - (b) have the commissioner review and approve a contract of reinsurance applicable to the title insurance company's policies, which contract adequately covers the exposure or risk which the unearned premium reserve would serve.
- (2) The fund shall be maintained for the protection of policyholders and is not subject to the claims of stockholders or creditors other than policyholders.

Amended by Chapter 116, 2001 General Session